

**REMARKS**

The present application has been reviewed in light of the Office Action mailed on June 18, 2007. Claims 1, 2, 12, 16, 17, 27, 32, 40, 41, 44, 47, 49, 55, 61, 62 and 70-113 are pending in the application with Claims 1, 12, 16, 27, 47, 55, 62, 73, 75, 82, 86, 88, 97, 101 and 106 being in independent form. By the present amendment, Claims 47, 62 and 82 have been amended to better define Applicants' claimed subject matter and not for patentability purposes or to overcome any prior art.

Applicants extend their gratitude to Examiner Clement Graham and Examiner Calvin Hewitt II for conducting a telephonic interview regarding the present application with the undersigned Applicant on May 7, 2007. During the telephonic interview as memorialized by the Applicants by a letter filed on May 18, 2007, Examiner Hewitt II conceded that he sees a distinction between the teachings of Bogosian et al. (using credit cards to effect payment) and Applicants' claim recitations (creating and maintaining payment accounts storing funds and deducting funds therefrom for effecting payment for electronic auction/commerce transactions).

It was Applicants' understanding that in light of the admitted distinction between Bogosian et al. and Applicants' claim recitations by Examiner Hewitt II, Examiner Graham would reconsider whether the primary reference (Bogosian et al.) in his cited rejections is still applicable in rejecting Applicants' claims. It was Applicants' understanding from the telephonic interview that Examiner Graham would either withdraw the primary reference (Bogosian et al.) and present a new primary reference, or allow the pending claims.

However, after reviewing the present Office Action, Applicants realized that Examiner Graham did not examine the newly presented Claims 75-113 presented by the Preliminary

Amendment filed on February 28, 2007, and in fact, Applicants further realized that Examiner Graham based his rejections on the previously pending claims and not the current pending claims presented by the Preliminary Amendment filed along with an RCE on February 28, 2007.

The undersigned Applicant called the Examiner's Supervisor, Supervisor James Kramer, on July 12, 2007 and stated these facts. The Applicants gratefully acknowledge the advice provided by Supervisor Kramer. Supervisor Kramer recommended to the Applicants that a response be filed to the Office Action mailed on June 18, 2007 with an explanation that the Office Action does not advance the prosecution of the present application. The information provided above is presented in light of Supervisor Kramer's advice and recommendations. Applicants respectfully request that the current pending claims be examined and that a new Office Action or a Notice of Allowance be mailed to the Applicants to advance the prosecution of the present application.

Applicants further state that Examiner Graham not only examined the previously pending claims, but he also provides inconsistent statements in his analysis with respect to the applicability of the teachings of Bogosian et al. in rejecting Applicants' claims. In the present Office Action, Examiner Graham states with respect to Claim 1 that "Bogosian fail [sic] to explicitly teach creating a plurality of payment accounts configured [for storing funds therein] and corresponding to the plurality of users and wherein funds stored within the plurality of payment accounts can be used by said plurality of users [for effecting payment for network transactions associated with said electronic auction web site] and storing funds therein and providing users the access to their respective payment accounts for viewing the amount of funds stored therein."

With respect to the other independent claims, which recite similar recitations as Claim 1, for example, Claims 12 and 47, Examiner Graham, in the present Office Action, state that Bogosian et al. teaches creating a plurality of payment accounts configured for storing funds therein and corresponding to the plurality of users and wherein funds stored within the plurality of payment accounts can be used by said plurality of users for effecting payment for network transactions associated with said electronic auction web site.

It is respectfully submitted that the MPEP requires the Examiner to present a well-reasoned and consistent arguments with respect to the teachings of the applied prior art. The present Office Action does not meet this standard; Bogosian et al. is said not to teach the recitations with respect to the rejection of Claim 1 and then Bogosian et al. is said to teach the same recitations with respect to the rejection of Claims 12 and 47. Accordingly, Applicants respectfully submit that Examiner Graham clarify his understanding of the teachings of Bogosian et al. as applied in rejecting Applicants' Claims 1, 12 and 47 and be consistent in his stated rejections with respect to these claims (and to examine the current pending Claims 1, 12 and 47 which recite these limitations).

As stated above, with respect to Claims 75-113, which were first presented by a preliminary amendment filed on February 28, 2007, the Office Action does not provide a disposition. Therefore, the Examiner is respectfully requested to provide a disposition with respect to these claims. Since a disposition is not provided in the Office Action mailed on June 18, 2007, the subsequent Office Action should be a non-final Office Action. This was stated to the undersigned Applicant by the Examiner on June 20, 2007. This was before the Applicants realized that the Office Action was based on the previously pending claims.

With respect to the examination of previously pending Claims 1, 2, 12, 16, 17, 27, 32, 40, 41, 44, 47, 49, 55, 61, 62 and 70-74, which contain the limitations of their corresponding pending claims (several of the pending claims include additional limitations and/or amendments), Applicants appreciate the withdrawal of the previously maintained rejections. Primarily, the Examiner withdrew his thrice-maintained rejection that Claims 1, 2, 12, 16, 17, 27, 32, 41, 44, 47, 49, 62 and 70-74 are unpatentable under 35 U.S.C. Section 103(a) over Bogosian et al. in view of Ganesan et al. The Examiner further withdrew his thrice-maintained rejection that Claims 40, 55 and 61 are unpatentable under 35 U.S.C. Section 103(a) over Bogosian et al. in view of Ganesan et al. and further in view of Hammons et al.

In the present Office Action, the Examiner presents two new rejections in rejecting previously pending Claims 1, 2, 12, 16, 17, 27, 32, 40, 41, 44, 47, 49, 55, 61, 62 and 70-74. The first rejection rejects previously pending Claims 1, 2, 12, 16, 17, 27, 32, 41, 44, 47, 49, 62 and 70-74 under 35 U.S.C. Section 103(a) by replacing the Ganesan et al. reference with U.S. Patent No. 6,138,107 issued to Elgamal on October 24, 2000; the second rejection rejects previously pending Claims 40, 55 and 61 under 35 U.S.C. Section 103(a) by replacing the Ganesan et al. reference with Elgamal.

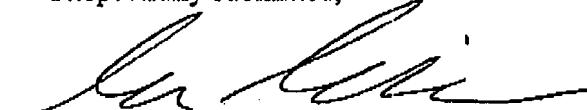
In particular, in the present Office Action, previously pending Claims 1, 2, 12, 16, 17, 27, 32, 41, 44, 47, 49, 62 and 70-74 were rejected under 35 U.S.C. Section 103(a) as being unpatentable over U.S. Patent No. 6,760,470 issued to Bogosian et al. in view of U.S. Patent No. 6,138,107 issued to Elgamal. Previously pending Claims 40, 55 and 61 were rejected under 35 U.S.C. Section 103(a) as being unpatentable over Bogosian et al. in view of Elgamal and in view of U.S. Patent No. 6,477,509 issued to Hammons et al. Since the rejections do not advance the

prosecution of the present application, as discussed above, withdrawal of the rejections are respectfully requested. It is further respectfully requested that the present application is examined out of turn due to its designated special status and due to the time lost for the present Office Action not advancing the prosecution of the present application.

In order to further advance the prosecution of the present application, Applicants reviewed the new reference cited by Examiner Graham, i.e., Elgamal, and respectfully submit that this reference taken alone or in combination with Hammons and/or Bogosian et al. does not render Applicants' current pending claims obvious. The Examiner is respectfully requested to examine the current pending claims listed above and to call the undersigned Applicant to discuss the patentability of the current pending claims over the cited references, taken alone or in any proper combination.

In view of the foregoing remarks, it is respectfully submitted that all claims presently pending in the application are patentable over the art of record and allowance thereof is earnestly solicited.

Respectfully submitted,



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